

Draft Response - People's Commission into the Housing Crisis

QUESTION	RESPONSE
<p>Describe the experiences of people struggling to access affordable and suitable housing in the context of your organisation's work.</p>	<p>Insufficient income - Insufficient income is a significant barrier for Uniting consumers seeking to access safe and suitable housing. Many Uniting consumers have shared with us their lived and living experience surviving on an insufficient income (both through wages and social security, such as <i>Jobseeker</i> and <i>Youth Allowance</i>), and how this directly contributes to housing insecurity in the private rental market and/or is a cause of their current homelessness. The rate of income support payments in Australia is inadequate and substantially below the poverty line, and those who rely on income support as their main source of income are pushed into housing precarity and homelessness.</p> <p>For some consumers, they are forced to choose between their basic needs or a roof over their head:</p> <p><i>"You have to pick and choose between paying rent and your children's medication. It goes way deeper than just being unaffordable. It's not an easy way of life. The majority of my life I've lived below the poverty line, and I work full time."</i> – a Uniting consumer that is the sole carer of her three children, residing in Tasmania.</p> <p>Shortage of social housing and unaffordable private rentals - People who were already struggling with low incomes are now forced to navigate an increasingly precarious housing and rental market. A severe shortage of social housing, combined with unaffordable private rentals, contribute to significant housing insecurity and stress for low-income households.</p> <p>In 2023, Uniting services in rural and regional areas of Victoria reported that there were no affordable rentals available. This is supported by Anglicare's '2023 Rental Affordability snapshot', which found that only 0.9 per cent of private rentals in Victoria were affordable for those receiving income support.</p> <p>One Uniting consumer is paying more than 70 per cent of her income on rent while waiting to access more affordable housing:</p> <p><i>"Friends ask us if we want to go to the zoo and I just can't take him because I've got to make sure there's enough there for rent. So regardless, whether I'm working or not working, the big thing is that rent and incomes are not matching up at all."</i></p> <p><i>In a housing department house, it would be different, but the waitlist... I rang up the other day and they said I'm still looking at 5-6 years with a three-year-old. I'm looking at him being 10 before we have a house to ourselves."</i></p> <p><i>If this place I'm at does sell and I have to leave and don't have another rental then, my option is just to couch surf with a child. I don't have an option after that or a fall-back plan, it's just too hard."</i> – a Uniting</p>

consumer that is a single mother and is renting a property that is only being offered as a three-month lease at a time.

Individuals and families, particularly low-income households, are unable to absorb rental increases in their budget. Subsequently, people are being forced to live in substandard housing or are at-risk of experiencing homelessness. A young single mother, who has been on the priority and emergency list for housing for more than 12 months, told us how she has been forced to continuing living with her child and ex-partner in his mother's home:

"The house where I'm living at the moment, she's (the owner) a hoarder. There's a rat infestation. It's not safe for us, not safe for a little one who is crawling around on the floor.

I keep my daughter to one room of the house, with her toys and everything. She just wants to go out to explore everything and be with everyone else, but I can't guarantee her safety if she is with everyone else. Despite best efforts to clean, I have asthma so I can't get to all the dust. The heat-pump in the house doesn't stay on. I've got a tiny heater in my room going full blast all day just to try and keep her (daughter) warm."

Poor landlord behaviour - Due to low rental availability rates, landlords and real estate agents are holding a disproportionate amount of power. Consequently, there are certain groups that can be discriminated against in the private rental market, including single parents, large families, and those receiving income support.

"You've got people going for viewings that are offering more or six months in advance and it just phases people out. If you have, say, fifty people applying and ten of them have full-time jobs, another lot are couples and then there's you who's on a benefit. I won't even get looked at. They say they don't discriminate, but they have. When you're spoilt for choice you can just choose who you want." – a woman who has experienced homelessness due to family violence, living in regional Victoria.

Rise in the cost-of-living - The cost-of-living crisis is further contributing to disadvantage, financial precarity, hardship and poverty across our communities. In 2022, Uniting Vic.Tas undertook research to examine the impact of the rising cost of living across Victoria and Tasmania. We found that the cost-of-living crisis is deepening financial, housing and food insecurity, impacting mental and physical health, and increasing social isolation. Survey data from over 100 consumers highlighted that cost increases related to housing were significant pressure points for more than 50 percent of respondents (47 per cent for rental increases, and 4 per cent for mortgage rate increases). Tasmanians were 25 per cent more likely to report that the rising cost of living had impacted their housing situations.

Vulnerable groups

For women and children escaping family violence, the housing crisis poses a significant barrier to escaping unsafe environments. Uniting family services practitioners report that family violence is the leading cause of homelessness for women and children that access our services. A growing reliance on motels as a form of emergency accommodation is creating extreme safety risks for women and children escaping violence.

Furthermore, the motels' availability is highly vulnerable to things such as school holidays and regional events, making them an unreliable substitute for purpose-built crisis accommodation.

"What is having an impact as well, is the use of motels and hotels for crisis accommodation. In a regional area, we don't have that much of a resource to be picky and if you can get one place, you're lucky but you've got everybody going into that one place. So, we're very cautious, and we've started conversations about this with other services, as when you've got a perpetrator of family violence, they might need to be housed out of area because we can't offer them accommodation that is also being used to house women or families escaping family violence, so someone needs to go elsewhere. – Uniting Homelessness Senior Manager.

Young people are also facing significant barriers to acquiring and maintaining suitable housing, largely due to the inadequate *Youth Allowance* and *Commonwealth Rent Assistance* (CRA) entitlements. A young mother discussed her current living situation in a one-bedroom unit managed by a community housing provider, which was inappropriate for herself and her child:

"What impacts my life the most is finding private rental. Yeah, it's ridiculous that nowhere really has anywhere that just accepts Centrelink income. It's pretty hard, like, I'm pregnant at the moment, so I'm gonna have two kids. And I've got myself and yeah, I need a bigger house, but nowhere accepts you when you have Centrelink as your payment. It's really hard to find somewhere. I've probably looked at about 20 places.

I've been on my own since I was basically 13 and it's just ridiculous. Like I know there's refuges and stuff like that, but they're not permanent. And like with the housing I'm in now, I'm just around drug users all the time. I hate it. I don't feel safe there. It's hard to raise kids around that. Having my own house would be so much easier and it would just be a better surrounding for my kids."

Describe the flow-on impacts of the housing crisis in the context of your organisation's work.

There has been a significant increase in demand for Uniting's services in relation to the housing crisis. We are seeing a growing number of people seeking support from our emergency relief, tenancy support programs and homelessness services. For example, in FY22-23, Uniting's Horsham Homelessness Entry Point was accessed by 239 people who had been sleeping rough in the previous month. In FY21-22, this number was only 97. Of the 239 people presenting in FY22-23, 28 were recorded as not having a permanent address in the past 5 years, compared to 24 people in the previous year.

This increase in demand has not been met with increases in government investment, which means we are unable to support everyone seeking assistance. For example, our Horsham Homelessness Entry Point had to turn away 646 people of the 1268 seeking assistance in FY22-23, due to their inability to provide immediate assistance. Of the 612 people who were assisted, only 300 were able to be seen on the day of presentation. Teams are having to use demand management strategies, such as imposing limits on support periods or accommodation stays.

"We have no choice but to put people on a waiting list (average wait time – two weeks) for support. We don't want to turn people in need away, but the demand for help is so high, we often have no choice. Our service

is only funded for 2 workers, and neither are full-time. The total number of presentations is up by 833 from the year prior, and 66 per cent are return clients.” – Uniting Homelessness Team Leader.

Similarly, Uniting frontline practitioners report significant challenges in the Private Rental Assistance Program (PRAP) due to increasing rental prices. People are seeking support from our services for higher amounts of rental arrears, thereby reducing the number of people who can be assisted through the program. In September 2023, 151 individuals or families in the Central Highlands region sought assistance from PRAP, with 67 per cent of those presentations being for rental arrears.

“We are having people present to us for assistance that are spending 75 to 80 per cent of their income on rent. Many of these individuals or families were once able to afford that level of rent but have either lost or needed to leave their jobs for reasons like long-term illnesses, needing to take on caring responsibilities for family members, or other major life-disruptive events.

Our usual referral pathway for individuals experiencing rental stress is to the Private Rental Assistance Program (PRAP), but when the gap between income and rent is that large there’s no point helping just for one month. It’s too unsustainable.” – Uniting Senior Manager, Eastern Melbourne Homelessness Entry Point.

Alongside increasing demand, the complexity of needs is expanding for people who are presenting to our services. For example, the number of people requesting assistance at Emergency Relief (ER) services who are also experiencing homelessness is rising. In January-April 2023, there was a 150 per cent increase in the number of people presenting at Wodonga’s ER services who reported experiencing homelessness or living in transitional accommodation, in comparison to the same period in 2022.

“Homelessness is increasing for those accessing ER services in Wodonga. We find that many of these people have very complex needs, we work closely with the housing agency for Wodonga, but there simply isn’t any affordable housing. So, we resort to giving out swags and tents, this is not a solution, but it gives them a bed for the night.” - Uniting ER Team Leader, Wodonga.

Furthermore, the housing crisis is a barrier to achieving outcomes for some of our services. Uniting, in partnership with the Centre for Social Impact at Swinburne University of Technology, examined outcomes for consumers at the Marrageil Baggarook crisis accommodation facility. The report found that the service is achieving significant outcomes for the women supported by the service, with 90 per cent reporting that the service helped achieve positive outcomes ‘to a large extent.’ However, the majority of respondents (60 per cent) reported that a lack of affordable, available, and suitable/accessible housing was a barrier to achieving changes in their life. This is either highlighting an issue with moving on from the service to more suitable housing, or it is reflecting a key reason for women initially seeking support from the service. Either way, the findings highlight the significance of the shortage and affordability of housing in Australia.

Describe how current policy settings impact housing affordability from your organisation’s perspective.

There has been a decline in government investment in social housing over the past few decades, coupled with a sustained focus from Federal and State Governments to incentivise investment in house ownership as a means of wealth generation. This has created a housing system that prioritises monetary value of a house over the emotional, physical, and social value of a home. Such a system ultimately fails low-income people and families who need support.

"The other issue with the house I'm in now is the same thing, it's only a three-month lease at a time. They don't give you a lot of notice to say this as well. I was told I needed to move out at the end of last month, so we packed the whole house up. My house is dead empty. I don't even have a couch in my house, I don't have a bed frame. We have toy boxes, books, what we need in the kitchen. Our towels, a small box of stuff in the bathroom. (Five days before the day they had to move, the real estate) sent an email saying you can resign a three-month lease if you like. So, I signed it. That's fine, so I'm there [for another three months]. You know, I'd rather be in just a little bit of financial struggle than homeless as well. It's a bit of weighing up the situation.

The owner did say the other day that he thinks there will be another three months again. But I still have not heard that from the real estate. So yeah, it's hard when they are only giving you a month notice at a time. I kind of want to take my bed base and my couch back at least, and we can be comfortable. But then I'll have to organise a trailer which costs money, and towing vehicles. All my furniture is in storage throughout everyone else's houses. I feel like I'll have to pay for the trailer and the truck to go and get certain items, get it all up there and then get told that I've got to move in a month again anyway." – Uniting consumer who is living in a private rental property while on the waiting list for social housing. She has been advised that the wait time to access housing support is likely to be five to six years.

While there have been recent Government initiatives to build new affordable housing in Victoria, in our experience these models are still unsuitable for low-income households:

"Victoria have rolled out this new affordability housing scheme where clients are paying 90 per cent of the market rent.

For a lot of households with the affordability crisis, it's just actually not sustainable. We've got somebody presenting to us at the moment who has had a relationship breakdown and they can no longer afford to maintain the affordable housing on one income. We are supporting them, but in all honesty they are just getting bounced around from services because their income is too high to actually be in scope for a whole range of services. It's not (Tenancy and Advocacy Assistance Program) TAAP, it's not PRAP. We have to make sure we've got a robust model moving forward that demonstrates solutions for situations like that." – Uniting Senior Manager, Homelessness.

The current rates of income support and rent assistance are inadequate to address housing stress, particularly in the context of rising living costs. For example, in 2023, analysis showed that zero per cent of rental listings were affordable for young people on *Youth Allowance*. A sixteen-year-old male from regional Victoria talked to us about how Centrelink payments were insufficient for him to survive:

"My money is always gone by the third day of the second week. So, for almost the entire second week I go without anything, no money for food or nothing. There's nothing there. And then you get paid, and you owe people money because I had to borrow \$50 just to eat so you start payday and you're already behind. It's a cycle."

"The way the government does their payments doesn't take into consideration the actual cost of living. The general thing I'd want to see change, not just for me, is (the amount of) Centrelink money. That (amount

	<p><i>of) money isn't so you can survive. It's not. It's not so you can live somewhere, it's not so you can afford work clothes and boots and that stuff. It's not fit for survival."</i></p> <p>There are also limited options for financial assistance for tenants. The primary type of financial assistance available is the payment of a bond or a first month of rent, whereas ongoing support is what is most needed. A Uniting consumer explains how these options are not keeping up with the realities of the rental market:</p> <p><i>"I'm eligible for private rental assistance, but I'm only eligible for properties up to \$200 per week. You cannot find a property for \$200.00. You're luckily to find a two-bedroom house at like \$380 these days. I need to do my reassessment again, but that would only go up to \$300 a week.</i></p> <p><i>The price you can get support from the government to pay the bond and rent assistance, the amount you're allowed to rent for based on assessments is \$300 per week. There's nothing for that."</i> – a young single parent residing in Tasmania.</p>
<p>Describe what actions your organisation believes should be taken by governments to most improve affordability and access to housing.</p>	<p>Significant and long-term investment is needed to address the severe shortfall of social housing. Serious investment and commitment is needed to supply a wide range of affordable, safe and suitable housing options, which should reflect the needs and demographics of the populations who are currently struggling to access housing.</p> <p><i>"There's not enough housing, particularly for people with kids or disabilities or other accessibility issues. There's not enough cheap housing for rent. If you rent through a real estate, you're paying \$700.00 a week around here. You have to have two people, so it really does discriminate against single people, particularly single mothers.</i></p> <p><i>I was applying for houses, and I couldn't get a single one because there's too many people applying for one property. When you're homeless you're fighting for your life, and no one should have to fight for their life and fight for a home. No. Hell no. There should be enough houses. Cheaper, affordable accommodation for everybody. Whether you're in a high income, low income, middle income, everyone deserves a home."</i> – Uniting consumer.</p> <p>While more social housing is being built, there should be increases to other payments (such as the CRA) to reduce rental stress in the meantime. An increase in the base rate of income support payments will lift many people out of poverty and housing precarity. In 2021, Uniting examined the impact of the boost in income support payments in the early months of the COVID-19 pandemic. Our research found that the Coronavirus Supplement payments, along with tenancy support measures, had overwhelmingly positive impacts on the lives of consumers, with 80 per cent of people reporting that their life became easier overall.</p> <p>An expansion of affordable housing must also be integrated with services and programs that support people to maintain their tenancies, such as the Tenancy Assistance and Advocacy Program (TAAP) and Tenancy Plus. As a Uniting Senior Manager of Homelessness Services explains:</p> <p><i>"I'm really keen on strengthening those, particularly Tenancy Plus which works for people in social housing, it's just so important for people to not lose their social housing once they're there. Given the often great</i></p>

complexity of those renters, it's pretty challenging to get them to engage with other services anyway. If they lose their housing, they just come back through the homelessness entry point, and they are just never going to get back into social housing again. Strengthening those programs so that once people are in social housing, they don't lose it or there's less chance that they'll lose it.

Given we're asking for an expansion of social housing, with more social housing properties the programs are going to have to be expanded, those programs have wait lists all the time as it is.”– Uniting Senior Manager, Homelessness.

Additionally, increased investment in interventions such as the Private Rental Assistance Program (PRAP) and PRAP Plus are necessary to meet the growing demand for this program, as well as to protect people from further financial hardship and entering homelessness.

“The way I see PRAP is it’s preventative, it’s early intervention... you’re supporting families who are at crisis but are not to the point of you know, sleeping in a car, rough sleeping, they have tenancies. In the absence of that support is where you see families three, six months down the track in the homelessness entry points. What I’m trying to articulate is that the government needs to look for recommendations around early interventions that have a flow-on effect and positive impact on children and young people.” - Uniting practitioner.

A targeted housing response is needed for cohorts who are particularly at-risk of experiencing homelessness, such as women and children experiencing family violence, young people, people who identify as First Nations, and people experiencing mental illness. Any actions taken by government to improve affordability and accessibility of housing must be informed by a genuine, ongoing partnership with these cohorts, to ensure that their needs are addressed in targeted policies, housing design and integrated wraparound services using a Housing First model.

Alongside greater investment in social housing, there is also a need to increase the stock of purpose-built crisis, short-term and medium-term accommodation. Motel accommodation has been found to be an unreliable and unsuitable substitute for crisis accommodation, particularly for people escaping family violence. There is a need for investment in purpose-built crisis accommodation to provide safe and supported housing options.

“Motels are such a band aid and we spend a lot of money on motels when we have it. But at the same time, if we don’t have motels, we have nothing. I am noticing now with the very high demand of people we’ve got coming in, and we’re back to our pre-COVID HEF funding, which is very limited. We’d love to be able to do even the band-aid at the moment with a few more people – even though it doesn’t solve the whole homelessness issue. – Uniting homelessness senior manager

Uniting also recognises the power and importance of young people’s voices in identifying issues to prevent and respond to youth homelessness. Young people face significant barriers to accessing and maintaining private tenancies in the rental market, including inadequate *Youth Allowance* and *Commonwealth Rent Assistance* payments. Any government initiative to address the housing crisis must consider the needs of targeted interventions that can support young people into safe, stable, and affordable accommodation.

"Centrelink hasn't helped at all. I'm on youth allowance which is around \$400 a fortnight. I have to pay for all my food, which for breakfast, lunch and dinner ends up being around \$150, so there's almost half of it gone already. Then there's smokes or a new pair of shoes, those random things which might not be super expensive, but it adds up..."

"I guess the government would say, "Oh, \$400 should cover everything" but when you're on your own, paying for all your meals and maybe you wanna go do something with your friends, it's not enough..." - Uniting consumer that is a sixteen-year-old male from regional Victoria.

Is there anything else your organisation would like to share with the Commission?